9110-04-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG-2011-1156]

Draft Guidance Regarding Inspection and Certification of Vessels Under the Maritime Security Program.

AGENCY: Coast Guard, DHS.

ACTION: Notice of availability and request for comments.

SUMMARY: The Coast Guard announces the availability of a draft Navigation and Inspection Circular (NVIC) that sets forth the Coast Guard's policies and procedures regarding the inspection and certification of vessels under the Maritime Security Program (MSP). The draft NVIC provides a comprehensive approach to the MSP inspection process through the establishment of two levels of MSP inspection and oversight. This notice solicits public comment on the impacts that the policies and procedures contained in this draft NVIC would have on applicable vessels and other affected parties.

DATES: Comments and related material must either be submitted to our online docket via

http://www.regulations.gov on or before [INSERT DATE 60

DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] or reach the Docket Management Facility by that date.

ADDRESSES: You may submit comments identified by docket number USCG-2011-1156 using any one of the following methods:

- (1) Federal eRulemaking Portal: http://www.regulations.gov.
 - (2) Fax: 202-493-2251.
- (3) Mail: Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590-0001.
- (4) Hand delivery: Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

To avoid duplication, please use only one of these four methods. See the "Public Participation and Request for Comments" portion of the SUPPLEMENTARY INFORMATION section below for instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: If you have questions on this notice, call or e-mail Mr. John Hannon, Domestic Vessels Division, U.S. Coast Guard; telephone 202-372-1222, e-mail John.J.Hannon@uscg.mil. If you have questions on viewing or submitting material to the docket, call Ms.

Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.

SUPPLEMENTARY INFORMATION:

Public Participation and Request for Comments

We encourage you to submit comments and related material on the draft NVIC on Inspection and Certification of Vessels Under the Maritime Security Program. All comments received will be posted, without change, to http://www.regulations.gov and will include any personal information you have provided.

Submitting comments: If you submit a comment, please include the docket number for this notice (USCG-2011-1156) and provide a reason for each suggestion or recommendation. You may submit your comments and material online, or by fax, mail or hand delivery, but please use only one of these means. We recommend that you include your name and a mailing address, an e-mail address, or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

To submit your comment online, go to http://www.regulations.gov, click on the "submit a comment" box, which will then become highlighted in blue. In the "Document Type" drop down menu, select "Notices" and insert "USCG-2011-1156" in the "Keyword" box. Click "Search" then

click on the balloon shape in the "Actions" column. If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit them by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period.

Viewing the comments and draft NVIC: To view the comments and draft NVIC, go to http://www.regulations.gov, click on the "read comments" box, which will then become highlighted in blue. In the "Keyword" box insert "USCG-2011-1156" and click "Search." If you do not have access to the internet, you may view the docket online by visiting the Docket Management Facility in Room W12-140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. We have an agreement with the Department of Transportation to use the Docket Management Facility.

<u>Privacy Act</u>: Anyone can search the electronic form of comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association,

business, labor union, etc.). You may review a Privacy

Act, system of records notice regarding our public dockets

in the January 17, 2008, issue of the <u>Federal Register</u> (73

FR 3316).

Background and Purpose

Title VI of the Merchant Marine Act of 1936 was amended by passage of the Maritime Security Act of 1996 (MSA), which authorized the establishment of a Maritime Security Fleet under the Maritime Security Program (MSP), which serves as a means for establishing a fleet of commercially viable and military useful vessels to meet national defense as well as other security requirements. The purpose of this draft Navigation and Inspection Circular (NVIC) is to provide the marine industry and Coast Guard personnel with uniform guidance regarding the MSP.

The U.S. Maritime Administration (MARAD) Office of Sealift Support is the lead governmental office responsible for administration of the MSP. MARAD, in coordination with the Department of Defense, established a program whereby certain categories of militarily useful commercial vessels may be designated for emergency service to carry military cargo in time of war, national emergency, or military contingency. Some vessels enrolled in the MSP may receive a payment as part of their enrollment. Alternatively,

vessels may enroll in other voluntary sealift support programs established by MARAD. Both groups of vessels would utilize the process outlined in this draft NVIC to obtain a Coast Guard Certificate of Inspection (COI), provided they otherwise meet MSP enrollment criteria.

The MSA established standards for issuance of a COI to a previous foreign flag vessel transitioning to U.S. Flag once eligibility for the MSP has been established by MARAD and the Coast Guard (46 U.S.C. 53102(e)). The statute does not specify the scope or manner of the inspections to be carried out by the Coast Guard to verify that MSP vessels fulfill requirements necessary to receive and maintain a COI. To avoid the inconsistent application of inspection procedures under the MSP, this draft NVIC outlines the inspection process for such transitioning foreign flag vessels to obtain initial and ongoing certification under the MSP.

To promote consistency and standardization of Coast Guard policies and procedures, this draft NVIC provides a comprehensive approach to the MSP inspection process through the establishment of two levels of MSP inspection and oversight: (1) MSP (Regular); and (2) MSP Select. This two-level approach would enable the Coast Guard to apply traditional inspection methods to newly reflagged vessels,

while at the same time apply a less stringent level of oversight to vessels that have consistently demonstrated satisfactory performance and substantial compliance with applicable rules. Newly enrolled MSP vessels would continue to be inspected by the Coast Guard in a manner similar to traditional Coast Guard inspections. After a period of evaluation, MSP vessels would be eligible to seek enrollment under MSP Select. MSP Select vessel oversight would consist of risk-based vessel examinations, periodic oversight, and evaluations of Authorized Class Society (ACS) survey activities.

We request comments from all interested parties to ensure that the full range and significance of issues related to the Coast Guard's MSP inspection process are identified.

This notice is issued under authority of 5 U.S.C. 552 (a) and 33 CFR 1.05-1.

Dated: January 12, 2012

PAUL F. THOMAS
Captain, U. S. Coast Guard
Acting Director, Prevention Policy

[FR Doc. 2012-1004 Filed 01/18/2012 at 8:45 am; Publication Date: 01/19/2012]